



# **Assignment Incentive Pay Pilot**

**Navy Manpower, Personnel and  
Training (MPT) Research and  
Analysis Conference**



# Overview

- Implementation Planning Team (IPT) Approach
- Assignment Incentive Pay (AIP) Pilot Summary
- Implementation Schedule
- Issues
- Distribution Incentive Management System (DIMS) overview



# IPT Approach

- Integrated Process Team (IPT) membership:
  - Fleet/MCA's
  - CINCUSNAVEUR
  - NPC (PERS-4)
  - EPMAC
  - OPNAV (N13)
  - CNA
  - NPRST
  - Contractors
- Established Board for oversight
- Established Business Rules and Policies



# Assignment Incentive Pay **Pilot**

- To attract qualified volunteers to difficult-to-fill jobs
- Replaces sea duty credit
- Enlisted, sea/shore rotation ratings only
- Flexible; adjustments based on supply/demand of qualified volunteers for jobs or locations
  - Existing pays not responsive to market demands
  - Existing incentives narrowly focused (LSRB)
- Significant “Headroom”: Up to \$1500/month
- Navy budget:
  - FY03-\$1M, FY04-\$13.5, FY05- \$31.5, FY06-\$48.375M, FY07-\$54M
- Included in 2003 NDAA



# Auction/Bidding Procedure

- Sailor submits bids through JASS
  - AIP jobs identified
  - Sealed bid, \$50 increments
  - Must address access concerns and coverage deficiencies
- Sailor shown maximum bid allowed for each job
  - Maximums reflect both urgency and difficulty-to-fill
  - Consider making historical bid data available for Sailor information
    - Sailors gain experience with expected AIP levels and competition sufficient to ensure reasonable price
- Bidding cycle coincides with requisition cycle
  - Every two weeks



# Procedures to Match Sailors and Billets

- Qualified bids collected
  - Detailer does not see bids until all bids are submitted
- Detailer assesses “total cost” of Sailor/job matches
  - Includes AIP, PCS cost and retraining costs
- Detailer makes final decision
  - “Qualified, lowest bid” gets the job
  - Based on total cost, quality, and decision matrix
    - Decision matrix under development by PERS 4
  - If decision deviates from lowest-bidder match, detailer must document rationale (provide audit trail)
    - Branch Head chop also required prior to assignment



# Procedure If No Acceptable Bids Received

- Bidding continues for another cycle
  - When no bids received or when quality of match unacceptable
- Bidding may continue until must-fill point
  - Maximum bid may be increased to encourage new bids
  - Business rule for Sailor involuntarily assigned into AIP job still under development



# Locations/Maximum Rates

<u>Location</u>	<u>E7-9</u>	<u>E5-6</u>	<u>E4</u>
Sigonella	\$450	\$400	\$350
Naples	\$450	\$400	\$350
Misawa	\$200	\$150	\$100
Guam	TBD		
Iceland	TBD		
Korea	TBD		
Gitmo	TBD		





# What About “Maximum Rates?”

- Provide basis for AIP budget management
- Provide Sailors with a “target” on which to base bids



# Implementation Schedule

- Begin with 7 April Requisition cycle
- Naples, Sigonella and Misawa
  - Start small, evaluate program and IT
  - 2 to 4 requisition cycles
- Make adjustments as necessary
- If successful, introduce other locations



# AIP Growth Plan

## Phase I

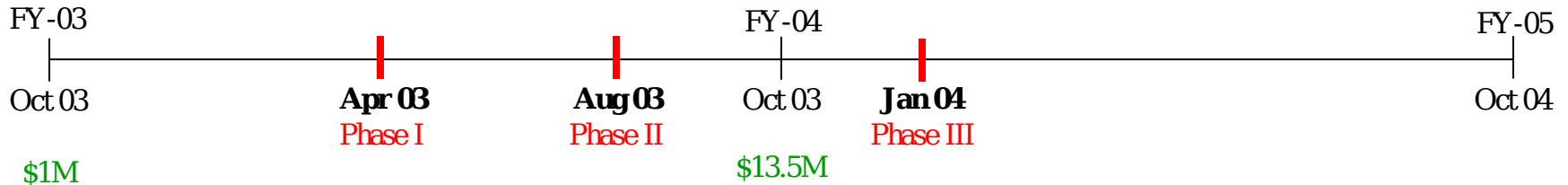
FY -03/04                      3-6 months

- Select Sea Duty credit (Type 3) activities
- Type 6 activity (previous Type 3)

## Phase II

FY -04                      6-12 months

- Remaining Type 3 activities (less Dependent restricted areas)
- Previous Neutral Duty (Type 5) activities





# AIP Growth Plan

## Phase III

FY -05                      12-24 months

- Overseas Sea Duty (Type 4) activities
- Other OUTUS sea duty activities
  - San Clemente Is.
  - Hawaii
- Convert LSRB locales/activities

## Phase IV

FY -06                      24 months +

- All other jobs as needed  
(market-driven)
- Full implementation

